Michael O. Leavitt Governor Stephen G. Boyden Director 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818 801-538-5100 801-355-0922 (Fax) http://www.trustlands.com

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DIV. OF OIL, GAS & MINING

November 20, 2002

Ronald K. Stout 1009 North 1700 East St. George, UT 84770

RE: T42S, R15W, SLB&M, Section 20, NE4NW4, 40.00 Acres Washington County, Utah

Trust Lands Administration Mineral Materials Permit # ML 48974-MP

Dear Mr. Stout:

Please be advised that pursuant to your letter of October 7, 2002, granting permission for use of the surface owned by you in the above described lands for the purpose of extracting sandstone rock, the Director on October 9, 2002, approved the issuance of a mineral materials permit ML 48974-MP to Stratton Construction, Inc., P.O. Box 251, St. George, UT 84771.

The permit grants Stratton Construction, Inc. the right to extract and sell sandstone rock from the permitted lands on the basis of payment of rentals and royalties to the Trust Lands Administration and other terms and conditions as contained in the permit. The Permittee must comply with all applicable rules of the State of Utah governing such activity, including such rules or regulations as may be enforced by the Utah Division of Oil, Gas & Mining.

Please contact me if you have any questions in this matter or at such time as you may wish to revoke your permission as surface owner for use of the surface for mining or rock extraction activities by our Permittee.

Sincerely,

John T. Blake

Mineral Resources Specialist

CC: Wayne Hedberg